

HOUSE RESEARCH

Bill Summary

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Overview

This bill consists of recommendation from the Worker's Compensation Advisory Board.

Section

- 1 Occupational disease.** Requires that an employer and insurer disclose any factors that tend to rebut a statutory presumption that infectious or communicable diseases are occupational diseases if contracted by employees who provide emergency medical care and who were exposed to that disease in the course of employment. The disclosure is required at the time the employer or insurer denies liability for worker's compensation benefits in connection with the disease.
- 2 Personal injury.** Includes an injury or disease caused by a vaccine in the definition of personal injury for purposes of worker's compensation, if the vaccine was required in connection with the employee's work, as a result of a federal declaration under the federal Public Health Service Act.
- 3 Limitation of fees.** Eliminates an annual report now required of insurers and self-insured employers on the amount they spend on legal fees and expenses connected with worker's compensation defense.
- 4 Parent as guardian.** Clarifies that language on guardians applies to minors.
- 5 Disciplinary actions.** Provides that certain fines are deposited in the assigned risk safety account, rather than in the special compensation fund.
- 6 Definitions.** Changes in definitions used in assessments for the special compensation fund.
- 7 Payments to fund.** Makes a variety of changes in the assessment language for the special

Section

compensation fund, incorporating the definitions in the preceding section.

8 Employer reports. Permits the commissioner to offset reimbursements owing to employers or insurers against assessments owed by them.

9 Medical, psychological, chiropractic, podiatric, surgical, hospital. (g) Permits an employer to require that medications covered by worker's compensation be obtained from a designated pharmacy or network of pharmacies, but a pharmacy must be within 15 miles from the employee's work or home. Permits employers to contract for pharmacy benefit management (PBM) services. Requires the vendor to disclose to the employer "the nature and amount" of any incentives the PBM receives from pharmaceutical companies.

(h) Restricts compensation for certain class II or class III medical devices.

10 Medical bills and records. Permits electronic billing for worker's compensation if agreed to by the insurer and provider.

11 Dispute resolution. Makes changes to take into account that contracts with certified managed care plans do not necessarily include dispute resolution services.

12 Components of managed care; health care provider fees. Permits a certified managed care plan to offer to employers and insurers certain managed care services as options separate from base worker's compensation coverage. Permits contracts with certified managed care plans to include discounted provider fees.

13 Revocation, suspension, and refusal to certify; penalties and enforcement. Provides that administrative penalties assessed against managed care plans be deposited in the assigned risk safety account.

14 Relative value fee schedule. Provides that relative fee schedules for worker's compensation health care be based on service-based classifications.

15 Alternative benefits. Permits an employer to apply for an exemption of the obligation to pay worker's compensation benefits to a worker whose religious beliefs prohibit receiving those benefits. Requires that the person's religious organization agree to provide benefits that are consistent with the religious beliefs.

16 Pilot programs. Extends until 2006 a pilot project permitting collective bargaining agreements involving worker's compensation in the construction and related industries.

17 Notice of coverage, termination, cancellation. Requires that a notice of cancellation of worker's compensation insurance contain a stern warning. Requires the commissioner to follow up with the employer if the employer does not get replacement coverage.

18 Forms for reports. Eliminates outdated language.

19 Fines, violations. Requires that certain fines be deposited in the assigned risk safety fund.

20 Appointment of physicians, surgeons, and other experts. Eliminates an obsolete reference.

21 Treatment standards for medical services. Requires that future rules be based on medical evidence and accepted standards of medical practice. Provides for expedited rulemaking. Provides that the rules must cover criteria for use of medications.